



February 10, 1981

No.

1-048A173
Date FEB 17 1981

Fee \$

50.00

ICC Washington, D. C.

2933

RECORDATION NO. _____ Filed 1426

FFB 17 1981 -4 15 PM

INTERSTATE COMMERCE COMMISSION

Mrs. Mildred Lee
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D. C. 20423

Dear Mrs. Lee:

Enclosed please find a security agreement between the Bank of the South, N. A. (P.O. Box 4387, Atlanta, Ga. 30302) and Lawrence Klamon (c/o Fuqua Industries, 3800 First National Bank Tower, Atlanta, Ga. 30303). The purpose of this filing is to perfect a lien on the box car to secure a loan in the original amount of \$28,000.00. I have also enclosed a check for the recording fee. Please call or write if you need any additional information.

Sincerely,

Elisa Z. Ezer
Assistant Vice President

Enclosures

EZE:lr

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FEE OPERATION B.R.

Interstate Commerce Commission
Washington, D.C. 20423

2/23/81

OFFICE OF THE SECRETARY

Elisa Z. Ezer
Assist. Vice Pres.
Bank Of The South, N.A.
P.O.Box 4387
Atlanta, Georgia 30302

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on ~~2/18/81~~ **2/17/81** at **4:15pm**, and assigned recordation number(s). **12933**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

ATLANTA, GEORGIA

February 10, 1981

FFB 17 1981 -4 1: PM SECURITY AGREEMENT

FOR VALENTINE INTERSTATE COMMERCE COMMISSION
 *THE FULTON NATIONAL BANK OF ATLANTA, hereinafter referred to as the "Bank", however and whenever created, arising or evidenced, whether direct or indirect, joint or several, absolute or contingent, or due or to become due and whether as principal, maker, endorser, surety, guarantor, assignor, mortgagor, or otherwise, (hereinafter referred to as the "Liabilities"), the undersigned Borrower hereby grants to Bank a security interest in the following described property which has been or is hereby delivered, assigned and hypothecated to the Bank:

One XM 51 foot, 1 inch, 70 ton "rebuilt" boxcar Marks-YS 2091

together with all equipment and accessories now or hereafter attached thereto or used in connection therewith, and in any other property of any nature whatsoever of Borrower now or hereafter in the possession of or assigned or hypothecated to Bank for any purpose, or in which Bank has a security interest, including, but not limited to, balances, credits, deposits, accounts, items and monies of Borrower now or hereafter with Bank and all dividends and distributions on or rights in connection with any such property. All of such property is hereinafter referred to as the "Collateral", and shall also include the proceeds thereof.

Borrower's Warranties: Borrower hereby represents and warrants that the Collateral is free and clear of any and all liens, security, interests and encumbrances; that he has the right to convey the Collateral as security for the Liabilities, free and clear of any and all liens, security interests and encumbrances; that he will keep the Collateral free from any lien, encumbrance or security interest whatsoever, other than the security interest hereunder; that he will from time to time, on request of Bank, execute such documents (and pay the cost of filing or recording the same) and do such other acts and things as Bank may request to establish and maintain a security interest in the Collateral which is valid and superior to all other liens and claims whatsoever; that the Collateral will be principally located in the city or town of his address as stated herein or at the address designated below until such time as written consent to a change of location is obtained from Bank, and Borrower will immediately notify Bank in writing of any change in such address; that he will not sell, transfer, lease or otherwise dispose of the Collateral or any interest therein except with the prior written consent of Bank; that he will at all times keep the Collateral in first class order and condition and will not abandon, waste or destroy the Collateral or any part thereof; that he will not use Collateral for hire or illegally or in any manner inconsistent herewith or with any policy of insurance with respect thereto; and that he will promptly pay or discharge all taxes assessed against Collateral and all liens which may attach thereto. Such warranties are cumulative and in addition to those improved by law.

Insurance: Borrower will keep the Collateral at all times insured against loss or damage in such amounts, under such forms of policies, upon such terms, for such periods and written by such companies or underwriters as Bank may approve, losses to be payable to Bank and Borrower as their interests may appear, such policies to contain a standard mortgagee clause satisfactory to Bank. Borrower shall furnish Bank with certificates of such insurance or other evidence satisfactory to Bank as to comply with the provisions of this paragraph. Borrower hereby assigns to Bank any monies which may become payable under any policy of insurance, including the return of unearned premiums and directs any insurer to make payment directly to Bank as Borrower's duly appointed agent and attorney-in-fact, to be applied against any indebtedness owed Bank by Borrower, whether or not due, in such order of application as Bank may determine.

Bank's Rights And Acts On Behalf Of Borrowers: Bank may from time to time at reasonable times examine and inspect the Collateral wherever located. Borrower hereby appoints Bank his agent and attorney-in-fact and authorizes Bank to act on his behalf in completing this contract by filling in any blank spaces; in making, adjusting and settling claims under any policy insuring the Collateral; in endorsing Borrower's name on any draft drawn by insurers of the Collateral; in placing and paying for insurance on the Collateral should Bank in its discretion and at its election desire to do so or upon failure of Borrower to provide insurance satisfactory to Bank; in discharging taxes, liens, security interests or other encumbrances at any time levied or placed on Collateral; in ordering and paying for the repair, maintenance or preservation of the Collateral; and in paying necessary filing or recording fees. Borrower hereby agrees to reimburse Bank on demand for any payment or expense incurred by Bank, or its agents or attorneys, pursuant to the foregoing authorization, and Bank may charge such payments or expenses to Borrower's indebtedness hereunder.

Events of Default: If Borrower fails to pay when due any amount payable with respect to any of the Liabilities; or if Borrower fails to perform or breaches any agreement or undertaking herein or is otherwise in default under any writing relating to any of the Liabilities or Collateral; or if the Collateral declines in value or for any reason becomes insufficient, in the Bank's judgment, to secure any of the Liabilities and Borrower after demand, fails or refuses to substitute and/or make additions to the Collateral satisfactory to Bank; or if any statement, representation or warranty made or furnished to Bank by or in behalf of Borrower with respect to any loan by Bank to Borrower be untrue or incomplete in any material respect as of the date made; or if Borrower becomes insolvent or makes an assignment for the benefit of creditors; or if any proceeding be instituted by or against Borrower alleging that he is insolvent or unable to pay debts as they mature; or if any judgment is rendered against Borrower; or if Borrower should die or become incompetent; or if the Collateral should be removed, resold or abandoned without the written consent of Bank; or if there should be loss, theft, substantial damage or destruction to or of Collateral; or if the Collateral be seized or levied upon under legal process or a receiver be appointed for it; or if any other circumstance or event occurs which shall cause Bank to deem itself insecure, then Borrower shall be in default hereunder.

Rights On Default: In the event of a default, any of the Liabilities less unearned interest secured hereby may, at the option of the Bank and without demand or notice of any kind, be declared, by Bank, and thereupon immediately shall become due and payable and Bank may take possession of or retain and sell or otherwise dispose of the Collateral or any part thereof, charge Borrower's deposit accounts with the amount of the Liabilities or any part thereof, and exercise from time to time any and all rights and remedies available to it under this agreement, any written instrument relating to any of the Liabilities or Collateral and any applicable law. Borrower shall pay all of the costs and expenses incurred by Bank in collecting such Liabilities and in enforcing its rights hereunder, including reasonable attorneys' fees and legal expenses. If notification of the time and place of an intended sale of the Collateral is required by law, such notification, if mailed, shall be deemed reasonable and properly given if mailed at least five days before such sale addressed to Borrower at the address shown herein or at any other address of Borrower appearing on the records of the Bank; and if notification of the time after which any sale or other disposition of the Collateral is to be made is required by law, such notification, if mailed, shall be deemed reasonable and properly given if mailed at least five days before the date designated as the time after which such sale or other disposition shall be made, addressed to Borrower at the address shown herein or at any other address of Borrower appearing on the records of the Bank. After applying the proceeds of the disposition to the payment of expenses of collection and sale, including attorneys' fees, the residue shall be applied to the payment of the Liabilities, in such order of application as Bank may determine. Borrower shall be entitled to any surplus resulting from such disposition of the Collateral and application of the proceeds and shall be liable for any deficiency. A disposition of the Collateral by the Bank shall not extinguish or satisfy any indebtedness or liability of the Borrower to Bank except to the extent that the proceeds are applied thereto as aforesaid.

Retention of Collateral After Payment: Bank shall be entitled to retain the Collateral, or any part thereof, or any proceeds derived therefrom, as long as any of the Liabilities remain outstanding and unpaid, and Bank may retain this security agreement. So long as the same is retained, payment of any of the Liabilities shall not discharge or cancel any provisions or agreements herein with respect to the Collateral as security for any of the other Liabilities and the rights of Bank hereunder shall continue until all Liabilities are extinguished or until Borrower is released therefrom and this security agreement is surrendered.

Applicable Law: This agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia, including the Uniform Commercial Code as amended and in effect on the date hereof.

Miscellaneous Provisions: Bank shall not be deemed to waive any of its rights hereunder unless such waiver be in writing and signed by Bank. No delay or omission by Bank in exercising any of its rights shall operate as a waiver of such rights and a waiver in writing on one occasion shall not be construed as a consent to or a waiver of any right or remedy on any future occasion.

Upon the transfer of this security agreement, the Bank may deliver the Collateral or any part thereof to the transferee who shall become vested with all powers and rights of the Bank in respect thereto, and the Bank shall thereafter be forever relieved and fully discharged from any liability or responsibility with respect to the Collateral so transferred. Borrower agrees (the Bank not having an opportunity to ascertain the value of the Collateral) that when the value of such Collateral has been ascertained, should the value thereof in the judgment of the Bank be insufficient to amply secure the Liabilities, then the Bank shall have the right to require substitution and/or additions to the Collateral.

The words "Borrower" and "he" as used herein shall include all makers of this Note, and each of them, who shall be jointly and severally liable hereunder, should more than one maker execute the Note; and shall include all endorsers, guarantors, sureties, and other persons or entities liable, whether primarily or secondarily, on the Note, and each of them, except to the extent that the express terms of the endorsement, guaranty, or suretyship agreement limit or vary an obligation of the Borrower executing it; and shall include the masculine and feminine gender, regardless of the sex of Borrower or any of them; and shall include partnerships, corporations and other legal entities, should such an entity be or become primarily or secondarily liable on this Note. Each Borrower further agrees that a failure of the Bank to exercise any right hereunder or the surrender or release of any collateral or the liability of any party hereto, or any indulgence, modification, extension, renewal, compromise, accord or satisfaction granted to any maker or other party hereto, shall not affect the liability of any maker, endorser, guarantor, surety or other party to this Note, or release or relieve them, or any of them, from liability hereunder, and the Bank may proceed against any party under this Note without first proceeding against the maker or any other party.

The word "Bank" as used herein shall include transferees and assignees of the Bank, and all rights of Bank hereunder shall inure to the benefit of its successors and assigns. All obligations of the Borrower shall bind his heirs, legal representatives, successors and assigns.

Collateral to be located at _____ Street _____ in the City of _____ County of _____ State of _____

SIGNED, SEALED AND DELIVERED by Borrower the day and year first set forth.

Borrower's Address _____

Phone No. _____

Form 1603 (Rev. 4-78)

*NOW KNOWN AS BANK OF THE SOUTH, N.A.

Notary Public, Georgia, State at Large
 My Commission Expires (SEAL) 1984

(SEAL)

(SEAL)